

ORDINANCE NO. 12142
(New Series)

O. 77-277
SEP 7 1977

AN ORDINANCE AMENDING CHAPTER III, ARTICLE 5, OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTIONS 35.0102(d), (e) AND (f), 35.0103, 35.0104, 35.0105, 35.0107(a), (b) AND (c), AND ADDING (d) AND (e), AMENDING 35.0108(a) AND (d), 35.0111, 35.0113, 35.0114, 35.0117, 35.0118 AND 35.0119, RELATING TO THE TRANSIENT OCCUPANCY TAX.

BE IT ORDAINED, by the Council of The City of San Diego,
as follows:

Section 1. That Chapter III, Article 5, of the San Diego Municipal Code be and the same is hereby amended by amending Sections 35.0102(d), (e) and (f), 35.0103, 35,0104, 35.0105, 35.0107(a), (b) and (c) and adding (d) and (e), amending 35.0108(a) and (d), 35.0111, 35.0113, 35.0114, 35.0117, 35.0118 and 35.0119, to read as follows:

SEC. 35.0102 DEFINITIONS

- a. through c. (No amendments to these paragraphs)
- d. Transient. "Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of less than one month. A month is defined as the period of consecutive days from the first day of occupancy to the same day in the next month following or on the last day of the next month if no corresponding day exists. Any person who in fact exercises occupancy or in fact is entitled to occupancy for a period of one month or more, shall be deemed not to have been a transient with respect to the first month

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of occupancy or entitlement to occupancy.

e. Rent. "Rent" means the consideration charged for the occupancy of space in a hotel as well as for such equipment as rollaway beds, cribs, television sets, etc., valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature without any deduction therefrom whatsoever.

f. Collected. "Collected" means the time at which the rent is earned if operator uses the accrual basis of accounting; or the time at which the rent is received if operator uses the cash basis of accounting. The same basis of accounting used for keeping the books and records shall be used for reporting and remitting.

g. (No amendment to this paragraph)

SEC. 35.0103 TAX IMPOSED

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of six percent (6%) of the rent charged by the operator. Said tax constitutes a debt owed by the transient to the City which is extinguished by payment of the tax to the operator. The transient shall pay the tax to the operator of the hotel at the time such transient ceases to occupy space in the hotel. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel. If the taxable rent is stated separately from other charges and

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After reasonable efforts to collect becomes uncollectible, a properly supported bad debts deduction shall be allowed.

SEC. 35.0104 EXEMPTIONS

No tax shall be imposed where the rent is at the rate of four dollars (\$4.00) a day or less. The exemption in this section applies only to a single individual occupying a single room or where the total rent charged for a room is four dollars (\$4.00) a day or less or where the accommodations rented are in a dormitory and the rent for each transient is four dollars (\$4.00) a day or less.

SEC. 35.0105 OPERATOR'S DUTIES

Each operator shall collect the tax imposed by this Article to the same extent and at the same time as the rent is collected from every transient. If the operator collects the rent but fails to collect the tax imposed by this Article for any reason, the City shall require the operator to pay such tax. The amount of tax shall be separately stated from the amount of the rent charged, and each transient shall receive a receipt for payment from the operator. A duplicate of this receipt shall be kept by the operator in accordance with Section 35.0111. No operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, if added, any part will be refunded except in the manner hereinafter provided. Each operator shall account separately and maintain separate monthly summary totals, for taxable and nontaxable rents and for taxes

collected. Taxable rents are those defined in Section 35.0103. Each operator shall notify the City Treasurer within ten (10) days upon the cessation of business for any reason and shall make his books and records available for audit.

SEC. 35.0107 REPORTING AND REMITTING

Returns may be made on a calendar quarter basis or a reporting basis other than a calendar quarter reporting period. An operator that desires to utilize a reporting period other than a calendar quarter reporting period must request and obtain written approval from the City Treasurer prior to the implementation of such reporting plan. Unless such approval is given, operators shall report on a calendar quarter basis.

a. Calendar Quarter. Each operator reporting on a calendar quarter basis shall, on or before the last day of the month following the close of each calendar quarter, make a return to the City Treasurer, on forms provided by him, of the total rents charged and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the City Treasurer. Returns filed and taxes remitted and actually received by the City Treasurer on or before the last day of the month following the close of each calendar quarter shall be deemed timely filed and remitted; otherwise, the taxes are delinquent and subject to the penalties imposed by Section 35.0108.

b. Other approved Reporting Periods. Each operator reporting on an approved basis other than a calendar quarter basis shall, on or before the same day of the next month

following the close of such reporting period, or on the last day of the next month if no corresponding day exists, make a return to the City Treasurer, on forms provided by him, of the total rents charged and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the City Treasurer. Returns filed and taxes remitted and actually received by the City Treasurer on or before the same day of the next month following the close of such reporting period, or on the last day of the next month if no corresponding day exists, shall be deemed timely filed and remitted; otherwise, the taxes are delinquent and subject to the penalties imposed by Section 35.0108.

c. Nonapproved Reporting Periods. Each operator reporting on other than a calendar quarter basis without previous approval shall, on or before the same day of the next month following the close of such reporting period, or on the last day of the next month if no corresponding day exists, make a return to the City Treasurer, on forms provided by him, of the total rents charged and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the City Treasurer. Returns filed and taxes remitted and actually received by the City Treasurer on or before the same day of the next month following the close of such reporting period, or on the last day of the next month if no corresponding day exists, shall be deemed timely filed and remitted; other-

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wise, the taxes are delinquent and subject to the penalties imposed by Section 35.0108.

d. Cessation of Business. Each operator, upon cessation of business for any reason, shall, on or before the same day of the next month following the cessation of business, or on the last day of the month if no corresponding day exists, make a return to the City Treasurer, on forms provided by him of the total rents charged and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the City Treasurer. Returns filed and taxes remitted and actually received by the City Treasurer on or before the same day of the next month following the cessation of business, or on the last day of the next month if no corresponding day exists, shall be deemed timely filed and remitted; otherwise, the taxes are delinquent and subject to the penalties imposed by Section 35.0108.

e. Timely Returns. Returns filed and taxes remitted by mail shall be deemed timely filed only if the envelope or similar container enclosing the returns and taxes is addressed to the City Treasurer, has sufficient postage and bears a United States postmark or a postage meter imprint prior to midnight on the last day for reporting and remitting without penalty. If such envelope or other container bears a postage meter imprint as well as a United States Post Office cancellation mark, the latter

shall govern in determining whether the filing and remittance are timely. The City Treasurer may establish shorter reporting periods for any certificate holder if he deems it necessary in order to insure collection of the tax and he may require further information in the return. All taxes collected by operator pursuant to this Article shall be held in trust for the account of the City until payment thereof is made to the City Treasurer. All returns and payments submitted by each operator shall be treated as confidential by the City Treasurer and shall not be released by him except upon order of a court of competent jurisdiction or to an officer or agent of the United States, the State of California, the County of San Diego, or the City of San Diego for official use only.

SEC. 35.0108 PENALTIES

a. Original Delinquency. Any operator who fails to remit any tax imposed by this Article within the time required shall pay a penalty of ten percent (10%) of the amount of the tax due and payable for the entire reporting period in addition to the amount of the tax.

b. and c. (No amendments to these paragraphs)

d. Audit Deficiency. If, upon audit by the City, an operator is found to be deficient in his return or his remittance or both, the City Treasurer shall immediately invoice the operator for the amount of the net deficiency plus a penalty of ten percent (10%) of the net deficiency. If the operator fails or refuses to pay the deficient amount and applicable penalties within fourteen (14)

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days after the date of the City Treasurer's invoice, an additional penalty of ten percent (10%) of the net deficiency shall be imposed.

SEC. 35.0111- RECORDS

It shall be the duty of every operator liable for the collection and payment to the City of any tax imposed by this Article to keep and preserve, for a period of three years within the boundaries of this City, all records as may be necessary to determine the amount of such tax as he may have been liable for the collection of and payment to the City. The City Treasurer shall have the right to inspect such records at all reasonable times.

SEC. 35.0113 -ACTIONS TO COLLECT

Any tax required to be paid by any transient under the provisions of this Article shall be deemed a debt owed by the transient to the City and payable through the operator. Any such tax, collected by an operator, which has not been paid to the City, shall be deemed a debt owed by the operator to the City. Any person owing money to the City under the provisions of the Article shall be liable to an action brought in the name of The City of San Diego for the recovery of such amount.

SEC. 35.0114 VIOLATIONS

Any operator who fails to remit any tax collected pursuant to this Article shall be subject to prosecution under Section 424 of the Penal Code of the State of

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California. Any person violating any of the other mandatory provisions of this Article shall be guilty of a misdemeanor and shall be punishable therefor by a fine of not more than five hundred dollars (\$500) or by imprisonment in the County jail for a period of not more than six (6) months or by both such fine and imprisonment.

SEC. 35.0117 TREASURER'S REGULATIONS

The City Treasurer may prescribe reasonable rules and regulations to implement the provisions of this Article.

SEC. 35.0118 DUTY OF SUCCESSOR OF OPERATOR

If an operator who is liable for any tax or penalties under this Article sells or otherwise disposes of his business, his successor shall notify the City Treasurer of the date of sale and withhold a sufficient portion of the purchase price to equal the amount of such tax or penalty until the selling operator produces a receipt from the Treasurer showing that the tax or penalty has been paid or a tax clearance certificate from the City Treasurer stating that no tax or penalty is due. If the seller does not present a receipt or tax clearance certificate within thirty (30) days after such successor commences to conduct business, the successor shall deposit the withheld amount with the City Treasurer pending settlement of the account of the seller.

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SEC. 35.0119 LIABILITY OF SUCCESSOR FOR FAILURE TO
WITHHOLD: NOTICE OF AMOUNT DUE

If the successor to the business fails to withhold a portion of the purchase price as required, he shall be liable for the payment of the amount required to be withheld. Within thirty (30) days after receiving a written request from the successor for a tax clearance certificate, stating that no tax or penalty is due, the City Treasurer shall either issue the certificate or mail notice to the successor at his address as it appears on the records of the City Treasurer of the estimated amount of the tax and penalty that must be paid as a condition of issuing the certificate.

Section 2. This ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: JOHN W. WITT, City Attorney

By Nancy M. Jones
Nancy M. Jones
Deputy City Attorney

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Or.Dept.: Treasurer

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Passed and adopted by the Council of The City of San Diego on SEP 7 1977,
 by the following vote:

Councilmen	Yeas	Nays	Excused	Absent
Gil Johnson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Maureen F. O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lee Hubbard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leon L. Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floyd L. Morrow	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Gade	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Joel M. Strobl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jess D. Haro	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Pete Wilson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

(Seal)

PETE WILSON
 Mayor of The City of San Diego, California.
CHARLES G. ABDELNOUR
EDWARD NIELSEN
 City Clerk of The City of San Diego, California.
 By Allyson D. Newitt Deputy.

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

AUG 24 1977, and on SEP 7 1977

~~I FURTHER CERTIFY that said ordinance was read in full prior to its final passage.~~

I FURTHER CERTIFY that the reading of said ordinance in full was dispensed with by a vote of not less than a majority of the members elected to the Council, and that there was available for the consideration of each member of the Council and the public prior to the day of its passage a written or printed copy of said ordinance.

CHARLES G. ABDELNOUR
EDWARD NIELSEN
 City Clerk of The City of San Diego, California.
 By Allyson D. Newitt Deputy.

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 SAN DIEGO, CALIF. (Seal)

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Office of the City Clerk, San Diego, California

Ordinance Number 12142 Adopted SEP 7 1977

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ATTORNEYS

San Diego, City of
12th floor, City Admin. Bldg.
202 C Street
San Diego, CA 92101

CERTIFICATE OF PUBLICATION

No.

IN THE MATTER OF

TRANSIENT OCCUPANCY TAX

ORDINANCE NO. 12142

(New Series)

AN ORDINANCE AMENDING CHAPTER III, ARTICLE 5, OF THE SAN DIEGO MUNICIPAL CODE BY AMENDING SECTIONS 35.0102(d), (e) AND (f), 35.0103, 35.0104, 35.0105, 35.0107(a), (b) AND (c), AND ADDING (d) AND (e), AMENDING 35.0109(a) AND (d), 35.0111, 35.0113, 35.0114, 35.0117, 35.0118 AND 35.0119, RELATING TO THE TRANSIENT OCCUPANCY TAX.

BE IT ORDAINED, by the Council of The City of San Diego, as follows:

Section 1. That Chapter III, Article 5, of the San Diego Municipal Code be and the same is hereby amended by amending Sections 35.0102(d), (e) and (f), 35.0103, 35.0104, 35.0105, 35.0107(a), (b) and (c) and adding (d) and (e), amending 35.0109(a) and (d), 35.0111, 35.0113, 35.0114, 35.0117, 35.0118 and 35.0119, to read as follows:

SEC. 35.0102 DEFINITIONS

a. through c. (No amendments to these paragraphs)

d. Transient. "Transient" means any person who exercises occupancy or is entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of less than one month. A month is defined as the period of consecutive days from the first day of occupancy to the same day in the next month following or on the last day of the next month if no corresponding day exists. Any person who in fact exercises occupancy or in fact is entitled to occupancy for a period of one month or more, shall be deemed not to have been a transient with respect to the first month of occupancy or entitlement to occupancy.

e. Rent. "Rent" means the consideration charged for the occupancy of space in a hotel as well as for such equipment as rollaway beds, cribs, television sets, etc., valued in money, whether to be received in money, goods, labor or otherwise, including all receipts, cash, credits and property and services of any kind or nature without any deduction therefrom whatsoever.

f. Collected. "Collected" means the time at which the rent is earned if operator uses the accrual basis of accounting; or the time at which the rent is received if operator uses the cash basis of accounting. The same basis of accounting used for keeping the books and records shall be used for reporting and remitting.

g. (No amendment to this paragraph)

SEC. 35.0103 TAX IMPOSED

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of six percent (6%) of the rent charged by the operator. Said tax constitutes a debt owed by the transient to the City which is extinguished by payment of the tax to the operator. The transient shall pay the tax to the operator of the hotel at the time such transient ceases to occupy space in the hotel. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due upon the transient's ceasing to occupy space in the hotel. If the taxable rent is stated separately from other charges and after reasonable efforts to collect becomes uncollectible, a properly supported bad debts deduction shall be allowed.

SEC. 35.0104 EXEMPTIONS

No tax shall be imposed where the rent is at the rate of four dollars (\$4.00) a day or less. The exemption in this section applies only to a single individual occupying a single room or where the total rent charged for a room is four dollars (\$4.00) a day or less or where the accommodations rented are in a dormitory and the rent for each transient is four dollars (\$4.00) a day or less.

SEC. 35.0105 OPERATOR'S DUTIES

Each operator shall collect the tax imposed by this Article to the same extent and at the same time as the rent is collected from every transient. If the operator collects the rent but fails to collect the tax imposed by this Article for any reason, the City shall require the operator to pay such tax. The amount of tax shall be separately stated from the amount of the rent charged, and each transient shall receive a receipt for payment from the operator. A duplicate of this receipt shall be kept by the operator in accordance with Section 35.0111. No operator of a hotel shall advertise or state in any manner, whether directly or indirectly, that the tax or any part thereof will be assumed or absorbed by the operator, or that it will not be added to the rent, or that, if added, any part will be refunded except in the manner hereinafter provided. Each operator shall account separately and maintain separate monthly summary totals, for taxable and nontaxable rents and for taxes collected. Taxable rents are those defined in Section 35.0105. Each operator shall notify the City Treasurer within ten (10) days upon the cessation of business for any reason and shall make his books and records available for audit.

Patricia M. Dutra
I, Patricia M. Dutra, hereby certify that the San Diego Daily Transcript is a daily newspaper of general circulation within the provisions of the Government Code of the State of California, printed and published in the City of San Diego, County of San Diego, State of California, and that I am the publisher of said newspaper and the

ORDINANCE NO. 12142

(New Series)

IS A TRUE AND CORRECT COPY OF THE ORIGINAL AS FILED IN THE OFFICE OF THE CLERK OF THE CITY OF SAN DIEGO

September 21, 1977

I, _____, hereby certify that the above is a true and correct copy of the original as filed in the Office of the Clerk of the City of San Diego

September 30, 1977

Patricia M. Dutra

Signature

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SEC. 35.0108. REPORTING PERIODS. Returns may be made on a calendar quarter basis or a reporting basis other than a calendar quarter reporting period. An operator that desires to utilize a reporting period other than a calendar quarter reporting period must request and obtain written approval from the City Treasurer prior to the implementation of such reporting plan. Unless such approval is given, operators shall report on a calendar quarter basis.

a. **Calendar Quarter.** Each operator reporting on a calendar quarter basis shall, on or before the last day of the month following the close of each calendar quarter, make a return to the City Treasurer, on forms provided by him, of the total rents charged and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the City Treasurer. Returns filed and taxes remitted and actually received by the City Treasurer on or before the last day of the month following the close of each calendar quarter shall be deemed timely filed and remitted; otherwise, the taxes are delinquent and subject to the penalties imposed by Section 35.0108.

b. **Other approved Reporting Periods.** Each operator reporting on an approved basis other than a calendar quarter basis shall, on or before the same day of the next month following the close of such reporting period, or on the last day of the next month if no corresponding day exists, make a return to the City Treasurer, on forms provided by him, of the total rents charged and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the City Treasurer. Returns filed and taxes remitted and actually received by the City Treasurer on or before the same day of the next month following the close of such reporting period, or on the last day of the next month if no corresponding day exists, shall be deemed timely filed and remitted; otherwise, the taxes are delinquent and subject to the penalties imposed by Section 35.0108.

c. **Nonapproved Reporting Periods.** Each operator reporting on other than a calendar quarter basis without previous approval shall, on or before the same day of the next month following the close of such reporting period, or on the last day of the next month if no corresponding day exists, make a return to the City Treasurer, on forms provided by him, of the total rents charged and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the City Treasurer. Returns filed and taxes remitted and actually received by the City Treasurer on or before the same day of the next month following the close of such reporting period, or on the last day of the next month if no corresponding day exists, shall be deemed timely filed and remitted; otherwise, the taxes are delinquent and subject to the penalties imposed by Section 35.0108.

d. **Cessation of Business.** Each operator, upon cessation of business for any reason, shall, on or before the same day of the next month following the cessation of business, or on the last day of the month if no corresponding day exists, make a return to the City Treasurer, on forms provided by him of the total rents charged and the amount of tax collected for transient occupancies. At the time the return is filed, the full amount of the tax collected shall be remitted to the City Treasurer. Returns filed and taxes remitted and actually received by the City Treasurer on or before the same day of the next month following the cessation of business, or on the last day of the month if no corresponding day exists, shall be deemed timely filed and remitted; otherwise, the taxes are delinquent and subject to the penalties imposed by Section 35.0108.

e. **Timely Returns.** Returns filed and taxes remitted by mail shall be deemed timely filed only if the envelope or similar container enclosing the returns and taxes is addressed to the City Treasurer, has sufficient postage and bears a United States postmark or a postage meter imprint prior to midnight on the last day for reporting and remitting without penalty. If such envelope or other container bears a postage meter imprint as well as a United States Post Office cancellation mark, the latter shall govern in determining whether the filing and remittance are timely. The City Treasurer may establish shorter reporting periods for any certificate holder if he deems it necessary in order to insure collection of the tax and he may require further information in the return. All taxes collected by operator pursuant to this Article shall be held in trust for the account of the City until payment thereof is made to the City Treasurer. All returns and payments submitted by each operator shall be treated as received by the City Treasurer and shall not be returned by him, except upon order of a court of competent jurisdiction or to an officer or agent of the United States, the State of California, the County of San Diego, or the City of San Diego for official use only.

SEC. 35.0109. PENALTY FOR DELINQUENCY. If an operator fails to pay the amount of tax due and payable for the entire reporting period in addition to the amount of the tax, a penalty of ten percent (10%) of the amount of the tax due and payable for the entire reporting period in addition to the amount of the tax.

b. and c. (No amendments to these paragraphs)

d. **Audit Deficiency.** If, upon audit by the City, an operator is found to be deficient in his return or his remittance or both, the City Treasurer shall immediately invoice the operator for the amount of the net deficiency plus a penalty of ten percent (10%) of the net deficiency. If the operator fails or refuses to pay the deficient amount and applicable penalties within fourteen (14) days after the date of the City Treasurer's invoice, an additional penalty of ten percent (10%) of the net deficiency shall be imposed.

SEC. 35.0111. RECORDS
It shall be the duty of every operator liable for the collection and payment to the City of any tax imposed by this Article to keep and preserve, for a period of three years within the boundaries of this City, all records as may be necessary to determine the amount of such tax as he may have been liable for the collection of and payment in the City. The City Treasurer shall have the right to inspect such records at all reasonable times.

SEC. 35.0113. ACTIONS TO COLLECT
Any tax required to be paid by any transient under the provisions of this Article shall be deemed a debt owed by the transient to the City and payable through the operator. Any such tax, collected by an operator, which has not been paid to the City, shall be deemed a debt owed by the operator to the City. Any person owing money to the City under the provisions of the Article shall be liable to an action brought in the name of The City of San Diego for the recovery of such amount.

SEC. 35.0114. VIOLATIONS
Any operator who fails to remit any tax collected pursuant to this Article shall be subject to prosecution under Section 424 of the Penal Code of the State of California. Any person violating any of the other mandatory provisions of this Article shall be guilty of a misdemeanor and shall be punishable therefor by a fine of not more than five hundred dollars (\$500) or by imprisonment in the County Jail for a period of not more than six (6) months or by both such fine and imprisonment.

SEC. 35.0117. TREASURER'S REGULATIONS
The City Treasurer may prescribe reasonable rules and regulations to implement the provisions of this Article.

SEC. 35.0118. DUTY OF SUCCESSOR OF OPERATOR
If an operator who is liable for any tax or penalties under this Article sells or otherwise disposes of his business, his successor shall notify the City Treasurer of the date of sale and withhold a sufficient portion of the purchase price to equal the amount of such tax or penalty until the selling operator produces a receipt from the Treasurer showing that the tax or penalty has been paid or a tax clearance certificate from the City Treasurer stating that no tax or penalty is due. If the seller does not present a receipt or tax clearance certificate within thirty (30) days after such successor commences to conduct business, the successor shall deposit the withheld amount with the City Treasurer pending settlement of the account of the seller.

SEC. 35.0119. LIABILITY OF SUCCESSOR FOR FAILURE TO WITHHOLD; NOTICE OF AMOUNT DUE
If the successor to the business fails to withhold a portion of the purchase price as required, he shall be liable for the payment of the amount required to be withheld. Within thirty (30) days after receiving a written request from the successor for a tax clearance certificate, stating that no tax or penalty is due, the City Treasurer shall either issue the certificate or mail notice to the successor at his address as it appears on the records of the City Treasurer of the estimated amount of the tax and penalty that must be paid as a condition of issuing the certificate.

Section 2. This ordinance shall take effect and be in force on the thirtieth day from and after its passage.
Introduced on August 24, 1977.
Passed and adopted by the Council of The City of San Diego on September 7, 1977.

AUTHENTICATED BY:
PETE WILSON,
Mayor of The City of San Diego, California.
CHARLES G. ABDELNOUR,
City Clerk of The City of San Diego, California.
By ALLAN D. NEVITT, Deputy

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Pub. Sect. 11-1977

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